

Stricken language would be deleted from and underlined language would be added to present law.

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

As Engrossed: H3/14/11 H3/15/11 H3/17/11

A Bill

HOUSE BILL 1901

5 By: Representative Ingram
6 By: Senator Files
7

For An Act To Be Entitled

9 AN ACT TO AMEND PUBLIC SCHOOL FUNDING AMOUNTS; TO
10 PROVIDE RESOURCES FOR EDUCATIONAL ADEQUACY; TO
11 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.
12
13

Subtitle

15 TO AMEND PUBLIC SCHOOL FUNDING AMOUNTS
16 AND PROVIDE RESOURCES FOR EDUCATIONAL
17 ADEQUACY AND TO DECLARE AN EMERGENCY.
18
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. DO NOT CODIFY. FINDINGS. The General Assembly finds that:

23 (1) In "A Report on Legislative Hearings for the 2010 Interim
24 Study on Educational Adequacy", the interim House Committee on Education and
25 the interim Senate Committee on Education found that the transportation
26 funding provided in foundation funding is sufficient to meet the State of
27 Arkansas's adequacy requirements with regard to student transportation. They
28 went on to recommend, however, a distribution of funding through an enhanced
29 transportation funding formula for certain school districts that may have
30 high transportation costs. The committees further recommended that money to
31 fund this new program be found by reducing, in part, a recommended increase
32 in foundation funding. The committees made clear in the 2010 interim study
33 report that this recommended enhanced transportation funding was found to be
34 over and above what was required for adequacy;

35 (2) In the previous biennium, in "A Report on Legislative
36 Hearings for the 2008 Interim Study on Educational Adequacy", the committees



1 found that student transportation may be a necessary component for providing
2 students with an equitable opportunity for an adequate education to the
3 extent that a student would not otherwise be able to realize this opportunity
4 but for such transportation being provided by the state. Analyzing what
5 portion of student transportation is required for adequacy purposes is a
6 highly complex, fact-intensive study. It requires analysis of many factors
7 such as student characteristics, bus routes taken, route miles, and a myriad
8 of other factors. Nonetheless, it is clear from "The Resource Allocation of
9 Foundation Funding for Arkansas School Districts," August 23, 2008, Bureau of
10 Legislative Research, and the 2010 interim study report that the evidence
11 gathered by the committees demonstrated that the amount of revenue provided
12 in foundation funding is sufficient to fund the overall adequacy needs of all
13 school districts;

14 (3) The 2010 interim study report recommends, essentially,
15 removing a portion of transportation funding contained in the resource matrix
16 used to determine necessary foundation funding levels, and using those funds
17 to provide revenue for transportation to some, but not all, school districts
18 for a program that is not required to maintain educational adequacy; and

19 (4) The foundation funding formula and the resource matrix on
20 which the foundation funding formula is based have served the state well
21 since they were first used. The formula and the matrix provide a clear,
22 transparent, and easy to understand method for analyzing state funding needs
23 for districts, while allowing districts the flexibility to use such funds to
24 more closely meet unique district needs. The committees' recommendation that
25 the General Assembly depart from this approach jeopardizes this method for
26 determining and meeting school district adequacy needs, a method that the
27 Supreme Court found to be constitutional in 2004 and in 2007. Accordingly,
28 the General Assembly finds and determines that the foundation funding formula
29 and the resource matrix upon which it is built should be maintained and
30 declines to adopt the enhanced transportation funding approach recommended in
31 the 2010 interim study report.

32
33 **SECTION 2.** Arkansas Code § 6-20-2305(a)(2), concerning public
34 school funding amounts, is amended to read as follows:

35 (2)(A) For the ~~2009-2010~~ 2011-2012 school year, the foundation
36 funding amount is equal to ~~five thousand nine hundred five dollars (\$5,905)~~

1 six thousand one hundred forty-four dollars (\$6,144) multiplied by the school
2 district's average daily membership for the previous school year.

3 (B) For the ~~2010-2011~~ 2012-2013 school year, the
4 foundation funding amount is equal to ~~six thousand twenty-three dollars~~
5 ~~(\$6,023)~~ six thousand two hundred sixty-seven dollars (\$6,267) multiplied by
6 the school district's average daily membership for the previous school year.

7 ~~(C)(i) In accordance with the state's desire to foster~~
8 ~~educational excellence, in addition to the amounts determined by the General~~
9 ~~Assembly to be constitutionally adequate pursuant to subdivisions (a)(2)(A)~~
10 ~~and (B) of this section, and in addition to the funds distributed to school~~
11 ~~districts pursuant to subdivisions (a)(2)(A) and (B) of this section, each~~
12 ~~school district shall receive an amount equal to thirty-five dollars (\$35.00)~~
13 ~~multiplied by the school district's average daily membership for the previous~~
14 ~~school year.~~

15 ~~(ii) The Department of Education shall distribute~~
16 ~~the additional funding provided by this subdivision (a)(2)(C) in eleven (11)~~
17 ~~monthly payments from funds appropriated by law and available for~~
18 ~~distribution as state foundation funding aid.~~

19 ~~(iii) The General Assembly has determined that the~~
20 ~~funding provided by this subdivision (a)(2)(C), which is known as "Enhanced~~
21 ~~Educational Funding", is in addition to, and in excess of, the amount of~~
22 ~~funds necessary to provide an adequate education as required by the Arkansas~~
23 ~~Constitution.~~

24 ~~(iv) Enhanced Educational Funding is available from~~
25 ~~a combination of fortunate economic factors, conservative budgeting of all~~
26 ~~state government, and the favorable forecast of state revenues. As a result,~~
27 ~~the enhanced component of Enhanced Educational Funding cannot be ensured and~~
28 ~~may not be relied on beyond the 2009-2010 school year.~~

29
30 SECTION 3. Arkansas Code § 6-20-2305(b)(2) through (b)(4)(B)(ii)(a),
31 concerning categorical funding for public schools, is amended to read as
32 follows:

33 (2)(A)(i) ~~Beginning with the 2007-2008~~ For the 2011-2012 school
34 year, alternative learning environment funding shall be ~~four thousand sixty-~~
35 ~~three dollars (\$4,063)~~ four thousand one hundred forty-five dollars (\$4,145)
36 multiplied by the number of identified alternative learning environment

1 students enrolled during the previous school year.

2 (ii) For the 2012-2013 school year and each school
3 year thereafter, alternative learning environment funding shall be four
4 thousand two hundred twenty-eight dollars (\$4,228) multiplied by the number
5 of identified alternative learning environment students enrolled during the
6 previous school year.

7 (iii) Funding for students in alternative learning
8 environments shall be distributed based on rules promulgated by the State
9 Board of Education.

10 (B)(i) Beginning with the 2007-2008 school year, secondary
11 vocational area center funding shall be three thousand two hundred fifty
12 dollars (\$3,250) multiplied by the number of students enrolled in a secondary
13 vocational area center during the previous school year.

14 (ii) Funding for students in secondary vocational
15 area centers shall be distributed based on rules promulgated by the State
16 Board of Career Education.

17 (3)(A) ~~Beginning with the 2007-2008~~ For the 2011-2012 school
18 year, funding for students who are identified as English-language learners
19 shall be ~~two hundred ninety-three dollars (\$293)~~ two hundred ninety-nine
20 dollars (\$299) for each identified English-language learner.

21 (B) For the 2012-2013 school year and each school year
22 thereafter, funding for students who are identified as English-language
23 learners shall be three hundred five dollars (\$305) for each identified
24 English-language learner.

25 (C) Funding for English-language learners shall be
26 distributed to school districts for students who have been identified as not
27 proficient in the English language based upon a state-approved English
28 proficiency assessment instrument.

29 ~~(G)(D)~~ Funds allocated for English-language learners to
30 school districts under this subchapter shall be expended only for eligible
31 activities as identified in current rules promulgated by the State Board of
32 Education and are a supplement to funding for national school lunch students
33 provided in subdivision (b)(4) of this section.

34 (4)(A) ~~Beginning with the 2009-2010 school year, national~~
35 National school lunch state categorical funding for each identified national
36 school lunch student shall be as follows:

1 (i) For a school district in which ninety percent
2 (90%) or greater of the previous school year's enrolled students are national
3 school lunch students, the amount of per-student national school lunch state
4 categorical funding shall be ~~one thousand four hundred eighty-eight dollars~~
5 ~~(\$1,488)~~ one thousand five hundred eighteen dollars (\$1,518) for the 2011-
6 2012 school year, and one thousand five hundred forty-nine dollars (\$1,549)
7 for the 2012-2013 school year and for each school year thereafter;

8 (ii) For school districts in which at least seventy
9 percent (70%) but less than ninety percent (90%) of the previous school
10 year's enrolled students are national school lunch students, the amount of
11 per-student national school lunch state categorical funding shall be ~~nine~~
12 ~~hundred ninety-two dollars (\$992)~~ one thousand twelve dollars (\$1,012) for
13 the 2011-2012 school year, and one thousand thirty-three dollars (\$1,033) for
14 the 2012-2013 school year and for each school year thereafter; and

15 (iii) For school districts in which less than
16 seventy percent (70%) of the previous school year's enrolled students are
17 national school lunch students, the amount of per student national school
18 lunch state categorical funding shall be ~~four hundred ninety-six dollars~~
19 ~~(\$496)~~ five hundred six dollars (\$506) for the 2011-2012 school year, and
20 five hundred seventeen dollars (\$517) for the 2012-2013 school year and each
21 school year thereafter.

22 (B)(i)(a) National school lunch state categorical funding
23 under this subdivision (b)(4) shall be based on the number of national school
24 lunch students for the immediately preceding school year determined under §
25 6-20-2303(12)(A).

26 (b) If the school district is participating
27 under 42 U.S.C. § 1759a, funding under this subdivision (b)(4) is based on
28 the percentage determined in § 6-20-2303(12)(B) multiplied by the number of
29 enrolled students for the immediately preceding school year.

30 (ii)(a) ~~Beginning with the 2009-2010 school year, if~~
31 If a school district will receive in the current school year national school
32 lunch state categorical funding under subdivision (b)(4)(A) of this section
33 that is based on a different per-student amount of national school lunch
34 state categorical funding than the school district received in the
35 immediately preceding school year, due to a percentage change in national
36 school lunch students, the department shall adjust the funding to the school

1 district in a transitional three-year period.

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3 SECTION 4. Arkansas Code § 6-20-2305(b)(5), concerning categorical
4 funding for professional development in public schools, is amended to read as
5 follows:

6 (5)(A) ~~Beginning with school year 2007-2008~~ For the 2011-2012
7 school year, professional development funding shall be equal to an amount of
8 up to ~~fifty dollars (\$50.00)~~ fifty-one dollars (\$51.00) multiplied by the
9 school district's previous school year average daily membership.

10 (B) For the 2012-2013 school year and each school year
11 thereafter, professional development funding shall be equal to an amount of
12 up to fifty-two dollars (\$52.00) multiplied by the school district's
13 previous school year average daily membership.

14 (C) Funding for professional development for teachers in
15 Arkansas public schools shall be used for professional development activities
16 and materials that improve the knowledge of teachers, administrators, and
17 paraprofessionals concerning effective instructional strategies, methods, and
18 skills for improving teaching practices and student academic achievement and
19 training for school bus drivers as outlined in rules promulgated by the State
20 Board of Education.

21
22 SECTION 5. EMERGENCY CLAUSE. It is found and determined by the
23 General Assembly of the State of Arkansas that it is the state's
24 constitutional obligation to provide a general, suitable, and efficient free
25 system of public schools in the state; that the public school funding
26 distribution changes in this act are needed to ensure that proper funding is
27 provided to public schools and school districts; and that this act is
28 immediately necessary so that public schools and school districts will
29 receive the amount of funding provided under this act for the 2011-2012
30 school year. Therefore, an emergency is declared to exist and this act being
31 immediately necessary for the preservation of the public peace, health, and
32 safety shall become effective on July 1, 2011.

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34 /s/Ingram
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